

BEFORE THE  
POSTAL RATE COMMISSION  
WASHINGTON, D.C. 20268-0001

POSTAL RATE AND FEE CHANGES, 2006

Docket No. R2006-1

RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MAYES TO  
INTERROGATORIES OF THE UNITED PARCEL SERVICE  
(UPS/USPS-T25-6-8)

The United States Postal Service hereby files the responses of Witness Mayes to the above-listed interrogatories, filed on July 7, 2006.

The interrogatories are stated verbatim and followed by the responses.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking

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Nan K. McKenzie

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July 21, 2006

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MAYES TO  
INTERROGATORY OF UNITED PARCEL SERVICE

**UPS/USPS-T25-6.** Refer to library reference USPS-LR-L-89, Attachment B, pages 8 and 9.

- (a) Confirm that Alaska non-preferential air costs in the test year are \$1,063,000. If not confirmed, explain in detail.
- (b) Confirm that the Alaska non-preferential air costs are assigned to the transportation costs for intra-BMC and inter-BMC parcels, and not assigned to the transportation costs for Parcel Select parcels. If not confirmed, explain in detail.
- (c) Confirm that in Docket No. R2005-1, USPS-LR-K-89, Attachment B, page 8, the Alaska non-preferential air costs in the test year were \$4,615,000. If not confirmed, explain in detail.
- (d) Confirm that in Docket No. R2001-1, library reference LR-J-64, Attachment B, page 8, the Alaska non-preferential air costs in the test year were \$9,002,000. If not confirmed, explain in detail.
- (e) Confirm that in Docket No. R2000-1, USPS-T-26, Attachment M, page 2, the Alaska non-preferential air costs in the test year were \$9,440,000. If not confirmed, explain in detail.
- (f) Explain in detail the reasons for the material decrease in Alaska nonpreferential air costs in this docket in comparison to Docket Nos. R2005-1, R2001-1 and R2000-1.

**Response:**

- (a) Confirmed that the Alaska non-pref air costs reported at those pages were shown as \$1,063,000. Please refer to page 7 of Attachment B, at cells D10 and D25 where you will find that I inadvertently repeated the Alaskan highway service cost in the Intra-Alaska non-pref air cost cell. I am filing errata that will correct the Alaska non-pref air cost figures.
- (b) Not confirmed. They are assigned to Inter-BMC, Intra-BMC, DSCF and DDU, but not to DBMC because DBMC service is not available within Alaska. Please refer to cells C39 through C43 on page 9 of Attachment B of USPS-LR-L-89.
- (c) Confirmed.
- (d) Confirmed.
- (e) Confirmed.
- (f) Please refer to my response to part (a) above.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MAYES TO  
INTERROGATORY OF UNITED PARCEL SERVICE

**UPS/USPS-T25-7.** Refer to library reference USPS-LR-L-89, Attachment B, pages 8 and 9.

(a) Confirm that Plantload costs in the test year are \$16,000. If not confirmed, explain in detail.

(b) Confirm that the Plantload costs are assigned to the transportation costs for intra-BMC and inter-BMC parcels, and not assigned to the transportation costs for Parcel Select parcels. If not confirmed, explain in detail.

(c) Confirm that in Docket No. R2005-1, USPS-LR-K-89, Attachment B, page 8, the Plantload costs in the test year were \$11,000. If not confirmed, explain in detail.

(d) Confirm that in Docket No. R2001-1, USPS-LR-J-64, Attachment B, page 8, the Plantload costs in the test year were \$2,490,000. If not confirmed, explain in detail.

(e) Confirm that in Docket No. R2000-1, USPS-T-26, Attachment M, page 2, the Plantload costs in the test year were \$2,095,000. If not confirmed, explain in detail.

(f) Explain in detail the reasons for the material decrease in Plantload costs in this docket and Docket No. R2005-1 in comparison to Docket Nos. R2001-1 and R2000-1.

**Response:**

(a) Confirmed.

(b) Confirmed.

(c) Confirmed.

(d) Confirmed.

(e) Confirmed.

(f) Please refer to the testimony of Joseph E. Nash in Docket No. R2005-1 at pages 8 and 9.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MAYES TO  
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**UPS/USPS-T25-8.** Please refer to the response to UPS/USPS-T21-4. Refer to the response to UPS/USPS-T37-2 and to library reference USPS-LR-L-89.

(a) What were the OMAS-related transportation costs for Parcel Post in FY2005?

(b) What are the projected OMAS-related transportation costs for Parcel Post in the TYBR?

(c) Explain in detail where the OMAS-related transportation costs for Parcel Post are accounted for in USPS-LR-L-89, Attachment B.

**Response:**

(a) – (b) I do not have the wherewithal to calculate costs for OMAS volumes in isolation. Without a separate distribution of OMAS volumes by zone and weight, etc., I cannot isolate the transportation costs for OMAS from the transportation costs for any other Parcel Post mail in any of the rate categories.

(c) To the extent that the OMAS volumes are combined with the private sector volumes (see the response to UPS/USPS-T37-2), the costs associated with the OMAS volumes in each rate category (Inter-BMC, Intra-BMC, DBMC, DSCF, DDU) would be included within the aggregate costs of each of those rate categories. I cannot isolate the costs associated with transporting OMAS volumes either to identify them or to exclude them.

## **CERTIFICATE OF SERVICE**

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

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July 21, 2006